Confl Fin (1935) Departme

MS SERIES.

G.O. No. ~~[illegible]~~ 692

DATED 13.11.35

[Despatch Abstract.]

Audit - Special - South Kanara District Educational Council - Defec

Audit - Papers received.

1

Defalcation in the office of the District Educational Council, South Kanara.

Finance (Accounts).

* * *

Para 1 of the Inspection notes of the Asst. Examiner ~~on page 13 of~~ at flag (Y) shows that defalcations in the Dt.Educational Council, Sout Kanara began so early as in 1926 and it is not c whether the defalcations could not have been detected in audit earlier than at present. The Examiner may be requested to see whether audit was properly conducted in the past and if not, to take action against the auditors responsible Extract of this para may be sent to the Examiner for necessary action.

* * *

D.J.C.D.
24-9-34

V.V.
24-9-34

× × ×

We may await the special audit report for previous years.
T.A.S.
27.9-34

I think the Examiner should be asked specifically to report on this aspect.
C.E.J.
27-9-34

main file returned to hand(sw)

With reference to the Secretary's orders above, a draft no. note to the Examiner is submitted for approval

DD 29.9.34 29.9.34

29.9.34

2/

Finance (Audit)

U.O. No. 32887 Aud-2 B 1.10?

Confidential

Defalcation in the office of the Dt. Educational Council South Kanara — Responsibility of auditors.

From the Copy of the Inspection notes on the accts of the Dt Educational Counc ~~the~~ South Kanara forwarded with the Examiner's note No 591-1/B 10-9-34, it is observed that defalcations the Dt Educational Council South Kanara began so early as in 1926. It is not clear whether the defalcations could not have been detected in audit earlier than at present. The Examiner of Local Fund Accounts is requested to investigate whether audit was properly conducted in the past and if not, to take action against the auditors responsible for their remissness. He is also requested to make a specific

(manifold returned to Law)

Retain

report to Govt on this point
in due course.

To the Examiner of Local
Fund Accounts
(Not in Secretariat
agenda 1, 2, 3, 4)

4

Examiner's Office.

Subject: Defalcation in the office of the District Educational Council, South Kanara - responsibility of auditors.

Reference: Finance Department Confidential u.o.note No.32887 Accts.-2, dated 1st October 1934.

The Government have, in their Law(Educatio Department Memorandum No.1228 C-4, dated 6th October 1934, ordered a special audit of the accou of the District Educational Council, South Kanara, to the extent the records may be available.

I propose to take up the question whether audit was properly conducted in the past and wheth the defalcation could not have been detected in audit earlier than at present after the report of special audit has become available. A report wil be made to Government specifying the result of action taken.

FINANCE SECRETARY 26 OCT 1934 GOVT. OF MADRAS

Finance, U.O.

ASSISTANT SECRETARY TO GOVERNMENT 26 OCT 1934 FINANCE DEPT.

Submitted for perusal.

Bill

A1

6

Financial Aud

U.O. Note No. 37499 Accts-18, 11-1-

Confidential

Defalcation in the office o
the D.E.C, South Kanara -
Responsibility of auditors. -

p.4 N.F.

Examiner's U.O. Note No. 24-1
26.10.34.

—

The Examiner of A
Accounts is requested to
state when the report
to Govt promised in his
U.O. note cited will be ren

Issued
11/1

9.1.35
9/1/35

10-1-35

To,

The Asst of A.F. Accts.

Confidential. Examiner's Offic

Subject.- Defalcation in the Office of the District Educational Council,South Kanara. - responsibility of auditors - Correspondence ending with Finance Department u.o.Note 37499 Accts.- dated the 11th January 1935.

I had stated in my u.o.Note 24-1,dated the 26th October 1934, that I proposed to take up the question responsibility of auditors after the report of the sp cial audit had become available.

It has not yet been possible to have this spec audit carried out owing to the concerned records havi been produced in Court in connection with the case against the Ex-Head Clerk of the District Educational Council Office; the last letter dated the 18th Januar 1935 from the President of the District Educational Council in this connection says that the records are yet available.

In view,however, of the fact that it may be a considerable time before it is possible to conduct t special audit, and postponement of departmental enqu may not be advisable for such a long time,I decided frame charges against the District Inspectors and cl concerned in the audit of the accounts of the Distri Educational Council,South Kanara, for the last five years on the basis of paragraph 3 of the Inspection Notes of the Assistant Examiner alone. Replies to th charges are yet awaited. But possibly, as in the ca of Malabar,the men concerned will ask to look into t original records; in which case there will be some further delay, as, in this case, the records are not either with the District Educational Council or with Police, but in Court.

It is, thus, not possible just now to indicate when the report will be ready; I shall address the Government further about the 20th February 1935.

Finance deptt.u.o.

23.1.35

Finance (Auto)

Please see the Examiner's note on p. 7 ante.

Submitted that the case may lie over till 25.2.35. (The Examiner says that he will address Govt. about 20th February next.)

28.1.35

28/1/35

29.1.35

9

Confdl

F

Assistant Examiner's Office.

Subject:- Defalcation in the Office of th
District Educational Council, South Kan
Correspondence ending with my U.O.Note
No.3-3-1, date the 24th January 1935.

The records which had been produced in co
have now become available and the special audi
ordered by the Government in the Edn. (Secretl
Department Memorandum No.1228- C-4, dated th
October 1934 has begun.

Now that the special audit has begun, it
would be preferable to deal with the question
of responsibility of audit after the special
audit report has become available. I am, th
not proceeding with the charges framed on th
basis of paragraph 3 of the Inspection Notes
the Assistant Examiner, but will frame fresh
charges as soon as the special audit report
become available. I shall address the Gover
further about the end of March.

This I am given to understand will be in about 3 weeks' time

Chorn 19/2/35

Finance Deptt. U.C.

Ex no. 3c-2
19.2.35.

6492 dated

Finance(A

The Examiner may be reminded on 30-3-35, if necessary.

23/2/35

23.2.35

Financial Asst.

Submitted that the Examiner may be asked to state when the further report ~~proof~~ promised in this note in p. 9 ante may be expected. A draft no. note to the Ec. & is subd for approval.

3.4.35

3.4.35

24
3.4.35.

11

Finance Dept

17/5/34

Memo 17/5/34

Memo No. 6452 Aud-1 dt 3.4.
Dist. Educational Council
South Kanara – Defalcation
Responsibility of auditors
Examiner's memo. No. —
No. 3C-2 dt 19.2.35.

The Examiner of L.F. Accts. is requested to state when the further report promised in this memo cited may be expected.

3.4.35

3.4.35

3.4.35

To,

The Examiner of L.F. Accts.

13/

6/7.6.

40 8/6/36

h.12/7/36

Fin Acc

2/o. No. 14310 Accts/B 7-6-35

District Educational Council South Kanara – Defalcat – Responsibility of auditor Examiner's 2/o Note No 3C. B 27-4-35

The Examiner of L.F. Accounts is requested to state when the further report promised in his note cited may be expe

7/6

TO The Examiner of L.F. Accounts.

5.6.35

5.6.35.

6/6

8/6

17

Examiner's Office.

Reference:- Finance Department U.O.note No. 14310 Accts-I dated the 7th June 1935.

District Educational Council- South Kanara- Defalcations- responsibility of auditors.

-

The Finance Department may be informed that the Special Audit Report has just been issued and that charges will be framed against the persons at default, their explanations obtained and orders passed. Further report will be made by the end of July 1935.

T.N.I.
18.6.1935

Finance Deptt. U.O.

Submitted for perusal.

The further communication from the Examiner may be awaited till 7-8-35.

22.6.35 24 23.6.35.

Secy saw last on 9 pages

24/6/35

27/6.

A draft reminder to Examiner is submitted for approval

9.8.35 9.8.35.

9 8 35

[Issued as no. Fin 19375 Accts 9/10

15

Fin Accts

9/10/8

plant

Memo note no 19375 Accts-18/10-8-35

District Educational Council South Kanara – Defalcation – Responsibility of auditors – Examiner's Memo note no 3C-4 dt 18-6-1935

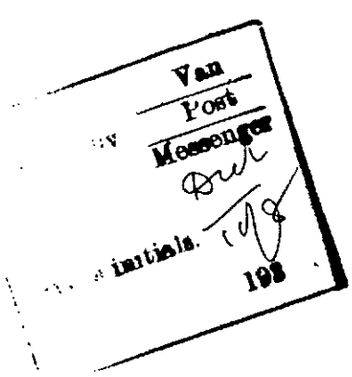
The Examiner of L.F. Accounts is requested to state when the further report promised in his memo note cited above may be expected.

9.8.35

9.8.35.

9/8/35

To The Examiner of L.F. Accounts ✓



Confidential.

16/

Examiner's Office.

Department
Subject: Finance/u.o.note No.19375 Accts-1, dated 10th August 1935.

15 above

District Educational Council, South Kanara - defalcations - responsibility of auditors.

Explanations of the District Inspectors and clerks called for are being received. Many have asked for permission to peruse the records locally at Mangalore. This has been arranged with the President. Some desire to be heard in person. An oral enquiry will be held after all the explanations have been received and then final orders passed. A further report will be made by th end of September 1935.

FINANCE SECRETARY
19 AUG 1935
GOVT. OF MADRAS

Mhowl
18/8

Exr no. 3C-5
19.8.35.

Finance, U.O.

ASSISTANT SECRETARY TO GOVERNMENT
19 AUG 1935
FINANCE DEPT.

Submitted for perusal.

The further communication from the Examiner may be awaited till

5.10.35.

20.8.35

20.8.35.

A draft u.o. note to the Examiner is submitted for approval.

5.10.35 5.10.35

5.10.35

[Issued as u.o. no. 26067 Accts-1 dt 5/10/35]

26067

17

Finance (Accts)

21/7(a)

p 16 NF.

U.O. Note No. 26067 dated 8 5/8/35

District Educational Council, South Kanara - Defalcations - Responsibility of auditors - Examiner's U.O. Note No 3 C - 5 dated 19.8.35.

—

The Examiner of L.F. Accts. is requested to state when the further report promised in this U.O. note cited may be expected.

5.1035 11/5.18.35

5.IX.35

To,

The Examiner of L.F Accts

18

Examiner's Office.

Subject.- District Educational Council, South Kanara - Defalcation - responsibility of auditors-u.o.Note No.3-C-5, dated the 19th August 1935.

***

Explanations have been received. A clerk has sent in his explanation only today. A District Inspe tor asked for an oral enquiry which was proposed to held on the 30th September 1935. He explained his inability owing to certain reasons to be present the The enquiry will be held on the 10th October 1935. I expect to be able to pass orders in all the cases by the 20th October 1935.

Finance deptt.u.o.

Exr no. 3c-6
8.10.35.

Finance depts

Submitted that the receipt of Examiner's above referred to above may be awaited till 1.11.35.

10.10.35 10/10/35

10.10.35

8-OCT 1935

32367 Dated

Confidential. Examiner's Office.

Subject.- Defalcation in the Office of the District Educational Council, South Kanara - Responsibility of auditors.

Reference.- Finance Department u.o.Note No. 26067 Accts.-1, dated the 5th October 1935.

p 17 ante

A copy of the Proceedings passed by me is placed below.

x pp 20-27 infra

Cxr no 3C-7
25.10.35.

Finance deptt.u.o.

24/X/35.

Finance (Accts)

35/89 Accts

Please see the u.o. note to the Examiner on pages 2-3 ante and the Examiner's proceedings on pages 20-27 infra.

A on pp. 21-22 infra

The Examiner is not inclined to take any penal action against the clerks who assisted the Dy. Inspectors in audting the accounts every year, taking into consideration the time that has elapsed, a want of clear proof of neglect on their part, clever methods adopted for effecting defalcations and the faulty System of audit hitherto in force. The Examiner says that the clerks will be censured for carelessness and warned to be more careful in future.

As regards the Dy. Inspectors the Examiner has ordered the reduction

~~Sd~~ reduction by one stage of their pay for varying periods — See portions sidelined on pages 23+24 and 27 infra.

2 Law (Edn.) may perhaps See the Examiner's proceedings no

30.10.35

30.10.35

The Examiner has punished the following Inspectors with reduction in their present pay for short periods:- ~~in 20~~ infra

" N. Rajagopala Iyengar
" Venkataiya
" Nilakantayya and
" S. Ranganarayana Ayyar.

The punishments ~~proposed~~ seem severe, but the defalcations have been going on for a long time past since 1927. The system of audit was also admittedly defective. One of the Inspectors viz Venkataiya was also incharge of the effective audit of the accounts of the Dt. Educl Council, Malabar.

2. It is understood that

1965

The question of the various forms & registers to be maintained in the offices of Dt. Educational Councils is under* separate consideration. It seems desirable that the Examiner should issue instructions to Dt. Inspectors regarding the checks to be applied in audit of the accounts of Dt. Educational Councils. He may perhaps mention a few instances (without mentioning names or places) showing how defalcations have occurred in the past & warn Dt. Inspectors to be careful in the audit of the accounts of Dt. Educl. Councils.

If approved, a copy of this para of the note may be sent* to the Examiner for necessary action.

4.11.35

(* The Examiner has recently visited the offices of Dt. Educational Councils & is now discussing the D.P.I.'s with the Director of Education.)

(* Sent to the Exr. vide Fin no 34860 Audit-I dt 4.11.35).

(Main file may go to Govt (Education) for perusal.)

Fin no 34860 Audit-I

4.11.35

LE 2967-C

6-11-1935

Law (Edn).

Er 21

May be returned and acknowledged.

18 (c)

hmd

7.11

fin.

LE2967C-1

8.11.35.

Financial Adviser

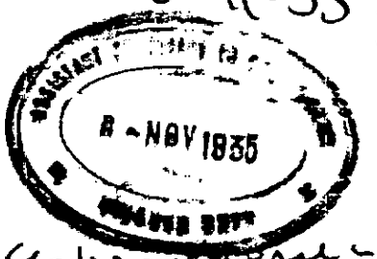
The papers may be

S.O. 692 Recorded

Nos 18/35

W

8.11.35



& Miscellaneous

Lo 3907-3910 635

confd

37234 Aud-

Abstract Audit Special

Sanskanara Dt

Educational Council -

Defective audit -

Papers recalled

An examination of the accounts of the District Educational Council, South Kanara, prompted by the report of defalcations by t President of the District Educational Council in his letter date the 17th February 1934 and carried out by the Assistant Examine August 1934, revealed extensive defalcations covering a period o many years. A special audit of all the records available was clear ly indicated and this was conducted in pursuance of Government Me randum No.1228 C-4, dated the 6th October 1934.

The special audit revealed defalcations to the extent of Rs.18,536/- covering the period from 1927 to 1934. The method adop ed in effecting defalcations was very different from that adopted in Malabar where the names of the non-existing or bogus schools were not even entered in the assignment list; in South Kanara the bulk of the defalcations was in respect of payments made to about half a dozen schools-the same year after year-which had been close or in respect of which recognition had been withdrawn long ago or which never existed. The names of these schools were also entered in the assignment list, sometimes by interpolating names in the spa left between the entries of two genuine schools, sometimes at the bottom of a page or at the end of the list in the space between th last item and the signatures of the authority preparing the list; the column giving reference to the authority or resolution of the Council sanctioning the grant, some bogus authority would be given.

In one or two instances, amounts were drawn a second time in respect of genuine schools and were misappropriated.

No detailed rules for the audit of the accounts of the Distri Educational Council have been laid down. The question was conside ed in 1925 but it was decided that the accounts were simple in character and no detailed rules were necessary. But the absence of such detailed rules cannot, of course, be held to justify or to exonerate the non-application of essential audit checks. In brief, it is the function of audit to see that the grant as assigned by the District Educational Council is in order and that payment has

been made to the proper person authorised to receive payment of this subsidy and has been acknowledged by him. For the first purpose, a reference to the inspection report of the school is necessary, first to see that the school itself is not a bogus or a non-recognised one, and then to see that the assignment fixed for the year is correct. Secondly, it must be seen that the payment is shown to have been made to the right person and that the payee's acknowledgment is on record.

I would not hold the auditor guilty of negligence by the mere fact that the entries in respect of certain schools in the assignment list are in a different hand-writing or may, on close examination now, be described as 'obvious' interpolations. The check of the inspection report is the deciding factor. The existence of such interpolation is bound to get known if the inspection reports relating to all the schools are checked. On this point, it has to be admitted that the procedure obtaining in the past has been faulty. There appears to have been no settled practice; some Inspectors stating that each payment was traced to the corresponding inspection report, but the majority of them frankly contented themselves with a centage check in this respect. Where only a centage check was applied, it may not be fair to hold the auditor guilty of negligence, if the authority quoted in the 'Remarks' column is now found to have been bogus. The simplest and the most effective check that he could apply, was to see the inspection reports; it would be unreasonable to expect him to have verified the genuineness and the correctness of every resolution and authority quoted in the combined list.

It will be seen from what has been stated above that the methods adopted for effecting defalcations were rather clever, and in view of the faulty system of audit hitherto in force, the auditors may not be held to be very much to blame for not having detected the frauds, especially in the

case of clerks who assisted the District Inspectors in auditing the accounts every year. I am not inclined to take any penal action, taking into consideration the time that has elapsed and want of clear proof of neglect on their part. They will be censured for carelessness and warned to be more careful in future.

I will now deal with the case of the District Inspectors.

Mr.N.Rajagopala Ayyangar.

Mr.N.Rajagopala Ayyangar conducted the audit of the accounts of the District Educational Council,South Kanara,for the years 1927-28 and 1928-29.

Mr.N.Rajagopala Ayyangar explains that in the absence of vouchers and inspection reports relating to 1927-28 and 1928-29, he is unable to explain how the unauthorised and bogus payments could have been admitted in audit; he can only say that all payments must have been ticked and admitted on the production of supporting vouchers and records at the time of audit. It is true that the absence of these records makes it difficult to come to any very definite conclusions now. The fact remains, however, that inspection reports for all the schools for which payments were made and admitted could not have been in existence,and even if a centage of the inspection reports was looked into,it would be strange coincidence that in none of the cases in which payments are now found to have been made to bogus institutions,was an inspection report looked into. There is also this possibility that bogus inspection reports might have been prepared and made available for audit. No case has, however, come to notice of any bogus inspection report and it has to be presumed that the inspection reports were not available rather than that made up inspection reports were made available for audit.

In the case of some of the payments,Mr.Rajagopala Ayyangar has put forward plausible alternative circumstances under which payments now objected to might have been admitted. All that can be said is that in the absence of concerned records,it is not possible to put these theories to the proof but conclusions drawn in the

special audit report at present hold the field. The point that has to be borne in mind in this case is that the malpractices seem to have started in the period those accounts were audited by Mr.Rajagopala Ayyangar. Mr.Rajagopala Ayyangar has on the whole been a careful and hard working District Inspector who has only about three years to retire. Mr.Rajagopala Ayyangar is drawing Rs.240/- per mensem at present - the maximum of the II Grade District Inspector's scale. I think the circumstances of the case require that he should be reduced by one stage for a period of three months. This will be exclusive of any period spent by Mr.Rajagopala Ayyangar on leave.

Mr.Venkatappa.

Mr.Venkatappa conducted the audit of the accounts of the District Educational Council,South Kanara,for the years 1929-30 and 1931-32.

In reply to this office Memorandum No.3191,dated the 17th January 1935,issued on a preliminary examination of the accounts by the Assistant Examiner, Mr.Venkatappa gave the explanation contained in his note dated the 25th January 1935. This explanation was, however, subsequently withdrawn by him in his note dated the 28th July 1935.

The position, as it stands now, is that Mr.Venkatappa says that he is unable to give,at this distance of time, any reasons or explanations,and he merely says that if there were mistakes on his part,they were not intentional and may possibly arose in spite of his best efforts.

Mr.Venkatappa's permanent pay as District Inspector is Rs.240/-. This was reduced by two stages for a period of one year in my Proceedings L.F.No.649,dated the 9th May 1935 and further by one stage for a period of six months in my Proceedings Nos L.F.3022,dated the 22nd October 1935. So far as the present case is concerned,it will be sufficient if his pay is reduced by one stage for a period of three

to take effect after the orders in Proceedings L.F.No.3022, date the 22nd October 1935 have ceased to have effect. The period will be exclusive of any period spent on leave.

Mr.Nilakantayya.

Mr.Nilakantayya conducted the audit of the accounts of the District Educational Council, South Kanara, for the year 193- The total amount defalcated during this period comes to about Rs.3,788/-. Mr.Nilakantayya has not offered any explanation. He says he was not able to go to Mangalore as he could not undertake the long railway journey owing to ill-health and without seeing the records he was not in a position to offer any explanation. In any case, the position is that he has not offered any explanation. He accepts full responsibility for the omissions in audit that might have occurred.

Mr.Nilakantayya has officiated as District Inspector for a total period of 1 year, 9 months and 19 days so far. He last reverted on the 6th April 1932 and it is only within this month that he has again got a chance of officiating as District Inspector. It is, therefore, all the more necessary that he should be very careful in his work and supervision. In the present circumstances it does not appear very likely that he will get long officiating chances as District Inspector in the near future. So whatever punishment is to be awarded must be in his substantive position as clerk. His pay as I Grade clerk is Rs.150/-. On the whole his work as clerk has been quite satisfactory. If there has been any complaint against him, it has been about want of a little tact and not about his work.

I think Mr.Nilakantayya should be reduced by one stage in the scale of I Grade clerks for a period of three months. This period will be exclusive of any period spent on leave or as officiating District Inspector.

Mr.S.Rangaswami Ayyar.

Mr.S.Rangaswami Ayyar conducted the audit for the years 1932-33 and 1933-34.

His first explanation is dated the 24th January 1935 and is in reply to L.F.No.5792,dated the 17th January 1935. His second explanation is dated the 25th July 1935 and is in reply to Memorandum No.1256,dated the 13th July 1935. There is also a supplementary explanation dated the 26th September 1935, and an enquiry was also held at Bellary on the 10th October 1935. It will be necessary to examine all these in detail.

In all these three explanations,Mr.S.Rangaswami Ayyar has not attempted to give any explanation on the individual cases mentioned in this office Memoranda. He has merely made certain general statements about the work done by him and by the clerk who assisted him.

In this case, there is no need to assume that only a part of the inspection reports was examined. Mr.Rangaswami Ayyar in his explanation dated the 24th January 1935, has given a fairly exhaustive list of the tests carried out by him and these include seeing the inspection reports before passing payments in audit.

In his explanation dated the 25th July 1935,Mr.S.Rangaswami Ayyar had stated that "as evidenced by the records", the relevant inspection reports were seen by him or by the clerk that"it transpired subsequently" that these inspection reports were "spurious ones which were done away with for fear of tor It came out during the oral inquiry that there was absolutely basis for the very high sounding phrases "as evidenced by the records" and "it transpired subsequently" and it is only Mr.Rangaswami Ayyar's belief that the inspection report must have been seen and subsequently destroyed.

In reply to paragraph 7 of the Audit Report relating to arrear payments,Mr.Rangaswami Ayyar put forward the plea that the period of limitation should be with reference to the date

of presentation of claims and not the date of payment. All that need be said on this point is that on reference to the actual practice followed, Mr. Rangaswami Ayyar had to admit in oral enquiry that there is no such thing as presentation of claims by managers.

The conclusion is irresistible that the checks stated by Mr. Rangaswami Ayyar to have been applied were not applied or were applied very carelessly.

On a par with his statements referred to above which have been found to be without any foundation whatsoever was his claims, in his explanation dated the 26th September 1935 that the fraud was revealed "only as a result of the rigorous check and counter-checks exercised in the annual audit in the preceding year" viz. 1932-33. The simple fact is that the fraud was revealed by the information carried by the second clerk to the President, District Educational Council, and about 8 to 10 months after the audit of 1932-33.

There is one other point which must be noticed in this case. The audit report for 1933-34 drafted by Mr. Rangaswami Ayyar was received in the Head Office in the usual course. Reading through it and seeing that defalcations to the extent of Rs. 4,000 had been referred to by the President, District Educational Council, and more extensive defalcations had been brought to light by a cursory examination of the accounts by the Assistant Examiner, I made the following remarks:-

> "The audit carried out by Mr. Rangaswami Ayyar appears "to have been rather unsatisfactory. He knew that certain "defalcations had occurred. He included in his report for "1933-34 faults relating to April 1934 and yet he never "cared to glance even cursorily on past years' transactions".

In reply to these remarks, to my very great surprise, Mr. Rangaswami Ayyar stated that it was not that he had not looked into the earlier transactions, that he had actually found out practically all that the Assistant Examiner was able subsequently to discover but that he kept this information to himself and "was longing for a query from the Examiner as to whether

any traces of the contagion were visible in the past y[illegible] transactions." No greater condemnation [illegible] District Inspector than that he should [illegible] in t[illegible] in which Mr.Rangaswami Ayyar did,presumin[illegible] about having known about the defalcations is correct.

Mr.Rangaswami Ayyar's pay as District Inspector i[illegible] Rs.240/-. I think the circumstances of the case require Mr.Rangaswami Ayyar's pay should be reduced by one [illegible] for a period of six months - this will be exclusive of [illegible] period spent on leave.

Ram Gopal,

Examiner of Local Fu[illegible]

(True copy) -

Examiner's Office.

Finance Department u.o.Note No.34860 Accts.-1, dated the 4th November 1935.

Audit - District Educational Councils - Issue of instructions.

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1. As soon as the defalcations in the Malabar Council were brought to notice, instructions were issued in April 1934 to the District Inspectors that these accounts should be audited by them personally with great care.

2. It is to be feared that the present system of accounts is very faulty and no checks that are practicable in audit within the time at its disposal can provide for the gaps in accounts procedure.

3. A set of instructions for the proper accounting and disbursement of grants placed at the disposal of the District Educational Councils has been drafted and sent to the Director of Public Instruction for remarks as required by Law (Education) Department.

4. The procedure to be followed in audit will be laid down in detail as soon as the accounting procedure has been approved.

Finance deptt.u.o.

ASSISTANT SECRETARY TO GOVERNMENT 18 NOV 1935 FINANCE DEPT.

Exr uo 1176-1
18.11.35

(Seen by Secy) Fin (Accts)

May be sent to Board (Edn) for perusal & return. Directors may see file with the papers in Fin. No. 3892 Fin/35 dt 13-11-35.

Board (Edn) no 18.11.35

FINANCE SECRETARY 18 NOV 1935 GOVT. OF MADRAS

Fin no 38742 Accts

Education Dept

39412

May be perused and returned to Finance no.

ASSISTANT SECRETARY TO GOVERNMENT 22 NOV 1935 FINANCE DEPT.

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Board. 22.11. Fin.

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Finance (Accts)

May be filed with papers in S.O

No. 392 Finance dt 13-11-35.
(removed)

14/11/35

25.11.35